



J. TYLER McCAULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **LOS ANGELES COUNTY FAIR ASSOCIATION AUDIT REPORT FOR
2002**

In 1987, the County entered into a Ground Lease and Operating Agreement with the Los Angeles County Fair Association (Association) for the Association to use and develop the County Fairgrounds. The Agreement requires the Association to pay rent to the County based on its gross revenues from the use of the Fairgrounds. We contracted with Conrad and Associates (Conrad), LLP to audit the rent paid to the County by the Association for the year ended December 31, 2002.

Overall, Conrad found that the Association had properly computed and paid its rent to the County. Conrad also evaluated the status of prior year auditor's recommendations and noted that the Association needs to improve its controls over its cash receipt books. We will be working with the Association to ensure they address these recommendations.

Please call if you have any questions. Your staff may also contact DeWitt Roberts at (626) 293-1103 if they have any questions or if you would like a copy of Conrad's report.

JTM:DR:JS

c: David E. Janssen, Chief Administrative Officer
Violet Varona-Lukens, Executive Officer
Public Information Office
Audit Committee
Jim Henwood, Los Angeles County Fair Association